

Capitol Square Projects and Capital Priorities

The Honorable Lyn McDermid
Secretary of Administration

Agenda

I. Monroe

- i. Building Background
- ii. Space Study
- iii. Transition Plan/Cost

II. Capitol Square Projects

- i. 9th and Broad Street Parking Garage
- ii. General Assembly Building
- iii. Capitol Extension/General Assembly Tunnel
- iv. Old City Hall
- v. Hardscape
- vi. 7th and Main Street Site
- vii. Reid's Row
- viii. Commonwealth Courts Building

Vacate Monroe – Background on Building

Current State of the Building

- Deferred maintenance on the building has accumulated, no material investments since 2021
- Will require an initial investment of \$103 million
 - Exterior envelope and roof repairs
 - Improve ADA accessibility in restrooms
 - Rebuild and/or replace chillers and AHUs
 - Plumbing fixture renewal
 - Security system upgrades

Vacate Monroe – Alternatives

2023 Space Study

- DGS hired consultant JLL in 2023 to conduct a space study
 - Validated existing space standards
 - Many agencies predate existing space standards
 - Reevaluate the post-Covid work environment
 - Recommended improvements to attract and retain employees
- Developed 4 options for tenants to vacate Monroe:
 1. Renovate Monroe – \$912 million
 2. Build 7th and Main office building – \$400 million
 3. Move Monroe tenants to 100% leased space – Market Driven
 4. Hybrid – Move to both leased and owned office space

Vacate Monroe – Hybrid Plan and Agency Cost Comparison

Agency	Existing SF	Existing Location	Rent	PSN SF	Proposed Location	Future Rent	Rent Impact
DOA	38254	Monroe	\$610,534	30,000	Main Street Centre	\$478,800	-\$131,734
APA	20,455	Monroe	\$326,462	18,000	Lease	\$370,000*	\$50,000
TRS	58,455	Monroe	\$932,942	25000	Main Street Centre	\$399,000	-\$533,942
OSIG	10,127	Monroe	\$161,627	8500	Reid's Row	\$135,660	-\$25,967
SCHEV	30,119	Monroe	\$480,699	20,000	Main Street Centre	\$319,200	-\$161,499
DOE	133,543	Monroe	\$2,131,346	80,000	Main Street Centre/Old City Hall	\$1,276,800	-\$854,546
DVS	21,015	Monroe	\$335,399	30,000	Worker's Comp	\$478,800	\$143,401
DHRM	55,346	Monroe	\$883,322	17,000	Main Street Centre/Old City Hall	\$271,320	-\$612,002
DSBSD	12,985	Monroe	\$207,241	8,700	Workers Comp	\$138,852	-\$68,389
DGS ISS	9,074	Monroe	\$144,821	9,000	Washington	\$143,640	-\$1,181
VDH Pharmacy	12,298	Monroe	\$196,276	10,000	Lease	\$200,000*	\$3,724
Totals	405,140		\$6,466,034	260,200		\$4,072,792	-\$2,393,242

Tax	109,626	Main Street Center	\$1,749,631	87,410	Consolidate	\$1,395,064	-\$354,567
Lottery	109,543	Main Street Center	\$1,760,520	82,000	Lease	\$1,740,795*	-\$19,725
DOLI	16,834	Main Street Center	\$268,671	12,993	VEC Brookfield	\$259,860	-\$8,811
DCR	50,351	Main Street Center	\$803,602	47,048	Consolidate	\$750,886	-\$52,716
Totals	286,354		\$4,570,210	221,451		\$4,146,605	-\$423,605

*Leases currently being negotiated

Vacate Monroe – Budget Request

\$50 million required to complete Monroe vacate and demolition (June 2025)

1. **\$20 million for Moving Costs**

- a. Modernize and upgrade Main Street Centre
- b. Build out
- c. Fixtures, Furniture, Equipment and affiliated moving costs

2. **\$30 million estimated cost for demolition**

- a. High level estimated based on multiple sources
- b. Avoid \$2 – 2.5 million in annual carrying costs
- c. Avoid blight and eliminate visible eyesore

Capital Square Projects

Completed Projects

- 9th and Broad Street Parking Garage
- General Assembly Building
- Capitol Extension/General Assembly Building Tunnel
- Old City Hall
- Hardscape

February 2024 Projected Completion

- Reid's Row
- 7th and Main Street Site Demolition

Commonwealth Courts Building

- Program being reevaluated to accommodate new requirements
 - Additional staffing pending legislative approval
 - Workflow adjacencies and efficiencies in building design
- Develop cost and schedule estimate for new program